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CONGRESSIONAL RECORD — APPEN

The State appropriated \$77,000 additional for the property after Mrs. Latham had set up on April 26, 1949, a second trust fund of \$150,000.

A handsome collection of antique furnishings, valued at \$125,000, was given by Mrs. Latham on January 1, 1950, to the State of North Carolina for the restored palace.

So great was her interest in the project that following her death on April 8, 1951, it was learned that, in addition to her gifts of the two trusts and the collection of antiques, she had bequeathed the residue of her estate, then valued at over \$1,250,000, to the Tryon Palace Commission to assure the complete restoration.

Through the able direction of her son-in-law, Mr. John A. Kellenberger, of Greensboro, finance officer and treasurer of the Tryon Palace Commission, the valuation of the trusts and bequest substantially increased not only to pay for the reconstruction of the famed capitol, its furnishings, the landscaping of the grounds, and the development of magnificent 18th century gardens, but also to purchase much more than twice as much property as that bought by the State, so that the restoration might include almost the entire original site.

The palace stands today, a living memorial to a woman of philanthropic spirit and broad vision—Maude Moore Latham.

Mrs. Latham often expressed her wish to restore the palace as a memorial to her son, Edward, who died at Fort Thomas, Ky., in 1918 during World War I in the service of his country.

All who visit the restoration owe an eternal debt of gratitude to Mrs. Latham; to her husband, through whose interest and financial encouragement she was enabled to carry out her plans; and to her daughter, Mrs. John A. Kellenberger, who, as chairman of the Tryon Palace Commission, ably carrying on in the family tradition of dedicated zeal and public service.

Railroad Merger

EXTENSION OF REMARKS OF

HON. HAROLD C. OSTERTAG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 2, 1961

Mr. OSTERTAG. Mr. Speaker, more and more, persons in the areas served by the New York Central System are becoming alarmed at the proposal whereby the Chesapeake & Ohio Railway Co. would take over the Baltimore & Ohio Railroad Co. This has grave financial implications for the New York Central and for the passengers whose transportation to and from work depends upon the Central. It has grave implications for the tens of thousands of workers who earn their livelihoods as employees of the Central. It concerns the transportation system of the entire eastern section of the Nation.

Ten newspapers in New York State have carried an editorial which raises serious questions regarding this takeover. Under leave to extend my remarks, I would like to call the text of the editorial to the attention of my colleagues:

OUR STAKE IN A RAIL MERGER

The national economy is something many of us know little about in bright general-

ties but rarely come to grips with until it enters their own front door.

It is a many-sided condition. It embraces exports and imports, gross national production and unemployment rates, bull and bear markets and the price of wheat in Kansas.

It is automation, handicrafts, labor and management, transportation, job stability, and moonlighting, short workweek and overtime, tangibles and intangibles, ponderables and imponderables.

And it is the proposal on which the Interstate Commerce Commission will open hearings June 19, the question of a merger of the financially imperiled Baltimore & Ohio Railroad and Chesapeake & Ohio system.

Intervening in this case is the New York Central Railroad, which serves us in Westchester, as well as being an irreplaceable contributor to commerce, business and industry in a vast segment of the Nation.

The railroad, as a prime mover of freight and heavy equipment, feeds our ports, links factories with raw materials and distributors. But, undercut by subsidized airlines, truck transport on the public highways, heavy taxes and burdensome operating costs, it is, in effect, bleeding to death. And it is in the light of this awesome circumstance that the merger proposal before the Interstate Commerce Commission concerns all of us.

The New York Central, which has opposed the combination of B. & O. and C. & O., wants to become a part of the merger, and gives a logical argument for it.

The days of robber barons are gone. Railroads are public utilities and must not be mere pawns in financial maneuvering. Mergers must be in the interest of the public, not merely a few greedy stock speculators. If the Nation's basic transit system is to survive with any real health and usefulness.

If the Central is frozen out of this merger, it will be set up as a prize to be plundered by the new organization, its freight pirated away, its joint tenancies destroyed and its prime sources of revenue ruined.

Not only that, but the port of New York, upon whose business the entire metropolitan area depends and which the Central vitally serves, can only deteriorate if its rail freight is spirited away to southern ports, which the C. & O.-B. & O. merger only too obviously would favor.

Westchester would suffer along with the rest of the port area, to say nothing of the crippling of our own economy if it were forced to rely on the service of a bankrupt railroad.

On the other hand, if the merger can be made a three-way move, more than \$125 millions of savings for the three can be foreseen in economies permitted from merely an elimination of duplicating functions, New York Central experts declare.

The Central now has 61 connections and 98 common points with the B. & O. and 45 connections and 87 common points with the C. & O.

The B. & O. and C. & O. have 17 connections and 23 common points.

The New York Central envisages a regional rail system out of a three-way merger. From it could come operating savings, revenue increases, better and more realistic service to industry and the public, and a strengthening of the general economy.

But from a two-way merger, the isolated Central would be prey for such a raid on its revenues as could only be expected to drive it to bankruptcy—from which the speculators would rescue it at the expense of its present shareholders and employees.

In its consideration, the Interstate Commerce Commission must recognize the need for wide planning in the service and survival of our railroads—and if the Interstate Commerce Commission doesn't elect to do so, it seems to us the Congress and the administration should step into the situation.

The New York State newspapers which carried the editorial are: Herald Statesman, Yonkers; Daily Argus, Mount Vernon; Daily News, Tarrytown; Daily Times, Mamaroneck; Citizen Register, Ossining; Daily Item, Port Chester; Standard-Star, New Rochelle; Reporter Dispatch, White Plains; Evening Star, Peekskill; Journal News, Nyack.

How Cambridge Flunked the First Test

EXTENSION OF REMARKS

OF

HON. WILLIAM L. SPRINGER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 2, 1961

Mr. SPRINGER. Mr. Speaker, under leave to extend my remarks in the Record, I include the following three articles: A very thoughtful article by Mr. James Reston, editor of the Washington bureau of the New York Times, titled "How Cambridge Flunked the First Test." Second, an editorial from the Saturday, April 29, issue of the New York Herald Tribune, titled "No Moratorium, Mr. Reston." Third, an editorial from the Washington Post of Friday, April 28, titled "Laos Down the Drain?"

HOW CAMBRIDGE FLUNKED THE FIRST TEST

(By James Reston)

WASHINGTON, April 27.—The saddest men in Washington these days are the intellectuals on the White House staff who helped deal with the Cuban issue: McGeorge Bundy, former dean of the faculty at Harvard; Walt Whitman Rostow of Massachusetts Institute of Technology, and Arthur Schlesinger, Jr., the Harvard historian.

These highly intelligent and sensitive men do not, of course, tell the President of the United States what to do, but Bundy and Rostow in particular were influential in the planning stage, and are now even more controversial here than when they first arrived.

Oddly, part of the policy miscalculation was due to a lack of precisely those qualities which the intellectuals were expected to bring to bear on major policy decisions.

The theory was that these men, above everything else, would be extremely thorough in their staff work and bring to the highest councils of the Executive a sense of history. Yet they have left the impression that the Cuban decision was reached without adequate staff preparation, and without that larger perspective of history which places specific decisions in proper relation to the commitments and objectives of the Nation.

For example, even after the adventure had failed, another White House staff officer said that the possibilities and consequences of failure had never even been considered. Secretary of State Rusk did not bring his own Department's intelligence unit into the staff work. The State Department's policy planning staff was not consulted, nor was Adlai E. Stevenson until the very end, when Bundy went to New York and filled him in.

The President himself, of course, was responsible for establishing the system whereby the Cuban decision was reached in a series of informal meetings at the White House. Most of the Cabinet members of the National Security Council met in these meetings from time to time, but apparently there was very little independent evaluation of the data presented in these meetings and little effort made to bring into the discussions top officials who were known to be opposed to the whole exercise.

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